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May 15, 2007

OF COUNSEL WILLIAM G. CONLY

> Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

> > Re: <u>APPLICATION FOR PUBLIC HEARING</u>.

Pettet Zone, Reservoir G; Hosston Formation, Reservoir G; and Cotton Valley Formation, Reservoir E; CADDO-PINE ISLAND FIELD, Caddo Parish, Louisiana.

Dear Sir:

SAMSON CONTOUR ENERGY E&P, L.L.C. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Pettet Zone, Reservoir G; the Hosston Formation, Reservoir G; and to the Cotton Valley Formation, Reservoir E; all in the Caddo-Pine Island Field, Caddo Parish, Louisiana:

- 1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas condensate from the Pettet Zone, Reservoir G, such unit being shown on an attached plat and designated PET RG SUA.
- 2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir G, such unit being shown on an attached plat and designated HOSS RG SUC.
- 3. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir E, such unit being shown on an attached plat and designated CV RE SUC.
- 4. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 5. To designate an operator of, and unit wells for, the proposed units as may be appropriate.
- 6. To provide that future wells drilled to the Pettet Zone, Reservoir G, within or outside of the unit proposed herein, be located no closer than 1,000 feet to any unit line and no closer than

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2,000 feet to any well completed in, drilling to, or for which a permit shall have been granted to drill to said zone.

- 7. To permit applicant to combine downhole production from the Pettet Zone, Reservoir G, the Hosston Formation, Reservoir G, and the Cotton Valley Formation, Reservoir E, or any combination thereof, in any well drilled on the identical units for these formations in which the interests in such units are identical.
- 8. To define the Pettet Zone, Reservoir G, as the stratigraphic equivalent of the interval encountered between the measured depths of 4,610 feet and 4,910 feet in the Texaco, Inc.--DL Gish et al No. 1 Well (SN 162843), located in Section 23, Township 20 North, Range 15 West, Caddo Parish, Louisiana.
- 9. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 122-P-6, effective August 15, 2006, and of all applicable Statewide Orders, to the proposed additional unit for the Hosston Formation, Reservoir G.
- 10. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 122-M-7, effective August 15, 2006, and of all applicable Statewide Orders, to the proposed additional unit for the Cotton Valley Formation, Reservoir E.
 - 11. To consider such other matters as may be pertinent to any of these formations.

The Hosston Formation, Reservoir G, in the Caddo-Pine Island Field, is defined in Office of Conservation Order No. 122-P-6, effective August 15, 2006.

The Cotton Valley Formation, Reservoir G, in the Caddo-Pine Island Field, is defined in Office of Conservation Order No. 122-M-7, effective August 15, 2006.

Any pertinent data concerning this application will be available for inspection at the offices of Joe B. Adams, 21010 Vermont Street, Livingston, Louisiana 70754. Any person wishing to inspect any such data should call Mr. Adams at (225) 686-2355 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated May 2, 2007, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set May 25, 2007, as the tentative date for the pre-application conference. No request for the pre-application conference was received within ten (10) days after the date of said letter; accordingly, no pre-application conference will be held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of each of the unit plats (which are identical to the unit plats

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attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Caddo-Pine Island Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours\very truly,

David L. Smelley

Attorney for Samson Contour Energy E&P, L.L.C.

DLS:dp Enclosures

cc: Mr

Mr. Jim Broussard (w/encls.) Mr. Phillip Robinson (w/encls.) Mr. Joe Adams (w/encls.)

Interested Owners, Represented Parties and Interested Parties (w/plats only)





